

LAFCO *of Monterey County*

LOCAL AGENCY FORMATION COMMISSION
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KATE McKENNA, AICP
Executive Officer

DATE: June 28, 2010

TO: Chair and Members of the Formation Commission

FROM: Kate McKenna, AICP, LAFCO Executive Officer

**SUBJECT: MISCELLANEOUS REVISIONS TO POLICIES AND PROCEDURES
RELATING TO SPHERES OF INFLUENCE AND CHANGES OF
ORGANIZATION AND REORGANIZATION**

SUMMARY OF RECOMMENDATIONS:

The Sphere of Influence and Annexation Policy Committee recommends that the Commission:

1. Receive this report from the Executive Officer;
2. Open and close the period for public comments;
3. Discuss the recommended policy revisions (Exhibit A of Attachment 1), and
4. Adopt the draft resolution (Attachment 1) finding that the proposed revisions are not a "project for purposes of the California Environmental Quality Act, and adopting the recommended revisions to policies and procedures.

EXECUTIVE OFFICER'S REPORT:

Overview

The LAFCO Sphere of Influence and Annexation Policy Committee recommends approval of miscellaneous revisions to adopted policies and procedures relating to Spheres of Influence and annexations and other changes in boundary organization and reorganization. Attachment 1 is a clean draft of the recommended changes. Attachment 2 is a marked-up version that details all of the text changes.

Discussion

As originally presented at a Policy Committee meeting on April 29, the proposed changes were non-substantive, technical changes intended to: (1) consolidate 11 different policy documents adopted over the past 30 years into a single document; (2) reduce redundancies and achieve internal consistency, and (3) update references to the current Government Code.

The Policy Committee directed the Executive Officer to prepare two additional changes for consideration, and continued discussion of this matter to a public meeting on June 16. The additional changes included: (1) revisions to the existing policy on preliminary Sphere of Influence reviews, and (2) a new policy on housing needs. The Policy Committee considered the additions and recommended approval of the entire set of revisions (Attachment 1) on June 16.

Please see Page 1-17 of Attachment 1/Exhibit A (or Page 2-20 of Attachment 2) for the recommended revision to the policy on preliminary Sphere of Influence reviews. Existing policy allows LAFCO to initiate a preliminary review of a Sphere of Influence as an initial step to a Sphere update for a city or special district. The purpose of a preliminary review is to provide guidance and preliminary observations to a local agency. The revised language will distinguish preliminary reviews from the State-required, five-year cycle for Municipal Service Reviews and Sphere of Influence Updates. The revised language also clarifies the procedures for a preliminary review. While a local agency or the Executive Officer can request a preliminary review, a review can only be initiated by the Commission. Finally, the revised language includes a new Introduction that explains the Commission's legal authority to adopt the policy and request local agency cooperation.

Please see Page 1-37 of Attachment 1/Exhibit A (or Page 2-56 of Attachment 2) for the recommended new policy language about housing and job considerations. The proposed policy would request information about the impact, if any, of a proposed Sphere of Influence amendment application or proposal for annexation or other boundary change on job availability and creation, and housing supply and demand, not only for the local community, but also for adjacent communities and the region. These considerations would be part of the Commission's consideration of applications and proposals. The proposed policy is consistent with the State-mandated factors that LAFCO already considers in reviewing Sphere applications and boundary changes. The Commission's legal authority is explained in an Introduction to the policy.

The Policy Committee took no action on two requests for changes received from special districts. The Resource Conservation District of Monterey County requests that LAFCO reverse its practice of automatically detaching City annexations from the District. Please see the District's letter in Attachment 3, first presented in March 2010. The other request, informally provided to the Executive Officer, requests policy language to ensure the financial health of fire protection districts affected by annexations of territory to cities.

California Environmental Quality Act Compliance

Recommended policies and procedures are not subject to environmental analysis. The recommendations are only state general considerations for a Commission decision, and are therefore not a "project" for purposes of CEQA.

Local Agencies and Interested Parties

Local agencies and interested parties were given early notice of the dates and times of April 29 and June 16 meetings of the Sphere of Influence and Annexation Policy Committee, and of the June 28 LAFCO meeting. Agendas, reports and attachments were distributed a week before each Policy Committee meeting, and on June 24 for the Commission meeting. All notices and agenda packets were emailed, or sent by regular mail to parties without email addresses. Notices and agenda materials are also posted on the LAFCO website and in public locations. No new written comments were received as of the date of preparing this report. Any written comments received before June 28 will be forwarded to the Commission. All comments will be considered at the meeting.

ALTERNATIVE ACTIONS:

In lieu of the recommended actions, the Commission may consider these or other alternatives:

1. Modify the recommended Policies and Procedures (Exhibit A of Attachment 1), or
2. Continue the meeting and provide other direction.

Respectfully Submitted,


Kate McKenna, AICP
Executive Officer

Attachments:

1. (Clean Draft Version) Recommended Resolution Adopting the Proposed Revisions to Adopted Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization (*see Exhibit A of Attachment 1 for the recommended policies*).
2. (Tracked Change Version) Recommended Revisions to Adopted Policies and Procedures Relating to Spheres of Influence and Changes of Organization and Reorganization.
3. Letter from Paul Robins, Executive Director, Resource Conservation District of Monterey County to the Local Agency Formation Commission, March 19, 2010.

cc: Local Agencies and Interested Parties (Distribution List is Available upon Request)